

Item 1 – Introduction

KDI Capital Partners, LLC (“we,” “us” or “our”) is registered with the U.S. Securities Exchange Commission (“SEC”) as an investment adviser and provides investment advisory services. Brokerage and investment advisory services and fees differ, and it is important that you understand the differences. Free and simple tools are available to research firms and financial professionals at www.Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers and investing.

Item 2 – Relationship Services

What investment services and advice can you provide me?

We offer investment advisory services to retail investors. As part of these services, we offer discretionary investment management services, primarily in publicly traded equities, and financial planning services.

When a retail investor enters into an investment advisory agreement, we will monitor the account on a periodic basis, no less than quarterly, with no material limitations as part of the standard investment advisory service. We shall have the authority without prior consultation with you (unless you impose restriction on our discretionary authority), to buy, sell, trade, and allocate the investments within your account consistent with your investment objectives. Our authority over your account shall continue until our engagement is terminated without material limitations. We offer advice on a limited number of products which include publicly traded equity, ETF and fixed income strategies and are detailed in our investment advisory agreement. The fixed income strategy is managed by a sub-adviser. We typically require a minimum net asset value of \$250,000 for retail investors.

We provide financial planning services which generally begins with extensive data gathering and defining the economic goals the client wishes to obtain. KDI may provide advice on issues relating to income, investments, retirement planning, life insurance, college funding, tax planning, estate planning, securities, risk management issues, family governance, philanthropic objectives and general business issues.

Additional information: For more information about our *Advisory Business* and the *Types of Clients* we generally service, please see Items 4 and 7, respectively in our ADV Part 2A.

Key questions to ask:

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?*

Item 3 – Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

We provide our investment management services for a fee based on assets under management. When engaged to provide investment management services, we shall charge a fee calculated as a percentage of your net assets (“management fee”). Specific fees charged are listed in our Form ADV Part 2A. Our annual management fee does not exceed 1.25%. Management fees are deducted from your account, in arrears, on a quarterly basis. Because the management fee is calculated on your net assets, this creates a conflict of interest since the more assets there are in your advisory account, the more you pay in fees; thus, the firm may have an incentive to encourage you to increase the assets in your account. The management fee for the fixed income strategy is paid directly to the sub-adviser.

Financial planning clients will be invoiced a recurring retainer fee for advisory services, paid in arrears either monthly or quarterly or a one-time project fee, paid in arrears. Retainer or project fees may be reduced or eliminated for investors with assets under management due to the quarterly management fees as discussed above.

Other Fees and Costs: Your investment assets will be held with a qualified custodian. Custodians may charge brokerage commissions and/or transaction fees for effecting certain securities transactions. In addition, relative to all mutual fund and exchange traded fund purchases, certain charges will be imposed at the fund level (e.g. management fees and other fund expenses).

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information, please see Item 5 in our ADV Part 2A.

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs? How much will be invested for me?

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here is an example to help you understand what this means. We may recommend a particular custodian to custody your assets, and we may receive support services and/or products from the same custodian, certain of which assist us to better monitor and service your account while some may be for the benefit of our firm.

How might your conflicts of interest affect me and how will you address them?

Additional information: For more information about our conflicts, please see Item 6 regarding allocation of investment opportunities among clients; Item 11 – Code of Ethics - Personal Trading and Cross Trading; Item 12 – Brokerage Practices; and Item 14 – Client Referrals in our ADV Part 2A.

How do your financial professionals make money?

Most of our financial professionals are compensated on a salary basis. However, some of those financial professionals, based upon their individual professional ability, may receive a performance bonus from time to time. In one situation a financial professional who provides financial planning services receives compensation based on a percentage of management fees and/or financial planning/consulting fees generated from financial planning clients. This receipt of payment creates a conflict of interest because the more assets that are in your advisory account the more compensation this individual will receive; thus, this individual may have an incentive to encourage you to increase the assets in your account.

Item 4 – Disciplinary History

Do you or your financial professionals have legal or disciplinary history?

No. A free and simple search tool to research us and our financial professionals is available at www.Investor.gov/CRS. Additionally, we encourage you to ask your financial professional.

As a financial professional, do you have any disciplinary history? For what type of conduct?

Item 5 – Additional Information

Additional information about our investment advisory services and an up-to-date copy of the relationship summary is available by contacting us at 919-573-4124.

▪Who is my primary contact person? ▪Is he or she a representative of an investment adviser or broker-dealer? ▪Who can I talk to if I have concerns about how this person is treating me?

A copy of our Part 2A is available at:

https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=626020

Form CRS Summary of Material Changes

This version of Form CRS dated January 4, 2021 has been updated to reflect that the highest management fee charged to SMA clients is 1.25%. In addition, the Form CRS now provides that the specific fees charged are listed in the adviser's Form ADV Part 2A.